

# EIP APPROACH AND BENEFITS

## WHAT IS THE ROLE OF GOVERNMENT AGENCIES IN EIP TRANSFORMATION?

Government's interest lies in the progress that eco-industrial parks (EIPs) make in aligning the projects they have, such as waste recycling and innovation projects, with the rollout of the Global Eco-Industrial Parks Programme (GEIPP) in South Africa.

Government entities like the special economic zones (SEZs) and industrial park management agencies target varying issues of interest including security, job creation and infrastructure development, which all relate to EIP benefits.

Government programmes have to support private organisations and companies that operate and manufacture products and services in the parks as they have an interest in improving process efficiency.

Government needs to involve industry association and chambers of commerce as they represent the interest of companies, thereby ensuring continuous improvement and competitive advantage.

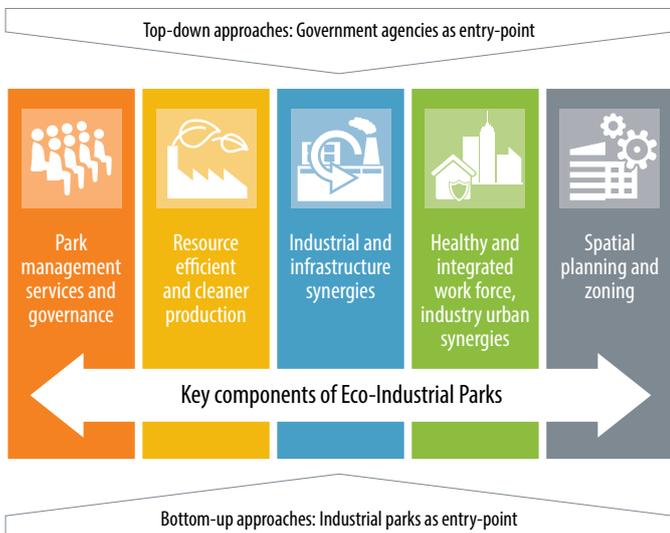
Government should also consider civil society organisations as they have a direct interest in industrial park operations which include the advancement of job creation and reduction of environmental impacts.

Government also needs to consider the role of financial institutions that can assist companies and industrial parks to improve their competitiveness by providing necessary funding opportunities and green financing schemes.

Lastly, government has a role to involve skills development organisations, such as SETAs, universities, and TVET colleges to assist with the design and development of training, capacity building, and innovation platforms.

Key roles of government:

- Law enforcement;
- Provide incentives and enabling conditions;
- Strategic planning of industrial parks; and
- Promotion of multi-stakeholder dialogues.



## WHAT ARE THE BENEFITS OF ECO-INDUSTRIAL PARKS FOR SOUTH AFRICA?

International best practice illustrates the types of economic, environmental and social benefits from EIPs vary greatly and go well beyond the conventional business case benefits.

The benefits of EIPs are not only commercial, but also strategic in nature, offering opportunities to reduce exposure to risk, increase competitiveness, promote business development, improve production continuity and develop a better reputation with stakeholders. EIPs enable companies to benefit from greater collaboration and exchanges within companies, as well as between companies, government and service providers.

Companies are enabled to collectively turn environmental problems into business solutions by using resources efficiently and cooperating through shared infrastructure.

### HOW IS THIS RELEVANT TO SOUTH AFRICA?

There are currently 27 industrial parks and 15 SEZs in South Africa, as well as a high number of smaller, privately-owned industrial parks and municipality-owned industrial parks. Industrial parks and special economic zones contribute to economic growth, diversification of economic activity, attracting investments, job creation, and addressing inequality.

Some of the main economic benefits that South African industrial parks and special economic zones can capitalise on include direct and indirect employment creation; cost savings due to reductions in waste disposal; resource and energy consumption; and increased competitiveness.

Environmental benefits from EIPs are very diverse and include reduction of pollution levels, more efficient use of resources (e.g., raw materials, water, energy), preservation and protection of biodiversity and nature, and reduction, reuse and recycling of wastes.

## IMPLEMENTATION OF THE EIP PROGRAMME IN SOUTH AFRICA

The GEIPP is implemented by the United Nations Industrial Development Organisation (UNIDO) and funded by the Government of Switzerland through its State Secretariat of Economic Affairs. The GEIPP country level interventions implement tailor-made initiatives in seven countries: Colombia, Egypt, Indonesia, Peru, South Africa, Ukraine and Vietnam, including incentivisation of EIPs in policies/regulations and development of EIP opportunities in selected industrial parks.

GEIPP South Africa (Phase 1) is implemented from 2021 to 2023 through a collaboration of UNIDO with the Department of Trade Industry and Competition (**the dtic**) and the National Cleaner Production Centre South Africa (NCPC-SA).

